



**TODAY**  
**AND**  
**TOMORROW**



# TODAY

*The purpose of Hayes-Dana is to earn money for the investors who have placed funds in our hands, and to protect and increase the value of their investment.*

*Since 1960 our sales have increased from \$11,000,000 to over \$60,000,000. In the same period, over \$23,000,000 has been invested in new plant and equipment, and our shareholders' equity has increased from \$8,000,000 to \$23,000,000.*

*The support and confidence of our shareholders, customers, and our people created this record of growth which has established Hayes-Dana as the largest independent auto parts manufacturer in Canada.*

*With nearly 50 years of experience we have blended financial strength, modern facilities, and expanded markets – to form a base from which we are aggressively planning for tomorrow.*





**HAYES-DANA LIMITED**  
THOROLD, ONTARIO

OCT 21 1969

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of HAYES-DANA LIMITED will be held at the head office of the Company, Thorold, Ontario, on Wednesday, November 19, 1969, at 10:30 o'clock in the forenoon (Eastern Standard Time) for the following purposes:

1. To receive and consider the consolidated financial statements of the Company and its subsidiaries for the period ended August 31, 1969, together with the reports of the Directors and Auditors thereon;
2. To elect Directors;
3. To appoint Auditors;
4. To transact such further business as may properly come before the meeting.

By Order of the Board,

W. S. THOMPSON,

Secretary.

DATED October 15, 1969

We ask that you promptly sign, date and return the enclosed proxy in the enclosed return envelope if it is not your intention to be present at the Meeting. If you are personally present at the Meeting and desire to do so you may withdraw your proxy and vote in person.



# INFORMATION CIRCULAR

## SOLICITATION OF PROXIES

This information circular is furnished in connection with the solicitation by the management of HAYES-DANA LIMITED of proxies to be used at the Annual Meeting of the Shareholders of the Company to be held at the Head Office of the Company, Thorold, Ontario, on November 19, 1969, at 10:30 o'clock in the forenoon (E.S.T.). The cost of soliciting proxies will be borne by the Company.

## APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors of the Company. A shareholder desiring to appoint some other person to represent him at the meeting may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case delivering the completed proxy to the Secretary of the Company.

A shareholder who has given a proxy may revoke it either (a) by signing a proxy bearing a later date and delivering it to the Secretary of the Company, or (b) as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by signing written notice of revocation and delivering it to the Secretary of the Company or the Chairman of the meeting.

## EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed for the approval of financial statements and the report of the directors and auditors thereon, for the election of directors and the appointment of auditors. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may come before the meeting. At the time of printing this circular the management of the Company knows of no such other matters to come before the meeting other than the matters referred to in the notice of meeting.

## VOTING SHARES

The Company has outstanding 2,712,965 shares without nominal or par value, each carrying the right to one vote per share. There is no other class of shares outstanding.

Dana Corporation owns beneficially 1,790,572 shares without nominal or par value of the Company representing approximately 66% of the outstanding shares of the Company.

## ELECTION OF DIRECTORS

The board consists of ten directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below, eight of whom are now members of the board of directors and have been since the dates indicated. The management does not contemplate that any of the nominees will be unable to serve as director, but if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next Annual Meeting or until his successor is elected under the Company's by-laws.

The following table and notes thereto state the name of all the persons proposed to be nominated for election as directors, all other positions and offices with the Company now held by them, their principal occupations or employments, the year in which each of the present directors first became a director of the Company, and the approximate number of shares of each class of the Company beneficially owned directly or indirectly by each of them as of October 6, 1969.



Name	Positions held in the Company	Principal occupation or employment	Became a Director	Shares Held
H. B. Bartlett	—	Vice President, Dana Corporation from September 1, 1954; President, Parish Divisions of Dana Corporation.	—	10
H. J. Carmichael	Director and Member of the Executive Committee	Industrialist. Director, Massey-Ferguson Limited, Canada Permanent Trust Company and Argus Corporation Limited.	1952	10,000
A. G. Coulter	Director	Industrialist. Prior to August 10, 1969, Chairman of the Board, Coulter Manufacturing Ltd. Prior to April 22, 1969, President and General Manager, Coulter Manufacturing Ltd.	1965	650
W. M. Fairhurst	President and Member of the Executive Committee	President, Hayes-Dana Limited. Prior to February 21, 1968, Executive Vice-President, Hayes-Dana Limited, and prior to October 1, 1967, Executive Engineer, Dana Corporation.	1968	18
J. E. Martin	Director and Member of the Executive Committee	Chairman, Dana Corporation. Prior to December 13, 1966, President of Dana Corporation.	1956	10,940
G. B. Mitchell	Chairman of the Board and Member of the Executive Committee	Executive Vice-President, Dana Corporation. Prior to February 21, 1968 President, Hayes-Dana Limited.	1963	7,072
S. T. Paton	Director	Executive Vice-President, Toronto-Dominion Bank. Prior to July, 1968, Vice-President and Chief General Manager, Toronto-Dominion Bank.	1969	200
B. R. Reimer	Executive Vice-President	Executive Vice-President, Hayes-Dana Limited. Prior to August 13, 1969, Vice-President - Chassis Division of Hayes-Dana Limited. Prior to October 30, 1968, Division Manager and Chief Product Engineer, Hayes-Dana Limited.	—	5,296
J. D. Stevenson	Director	Partner of Messrs. Wahn, Mayer, Smith, Creber, Lyons, Torrance and Stevenson.	1963	800
D. G. Willmot	Director and Member of the Executive Committee	President, Molson Industries Limited. Prior to September 11, 1968, President, Anthes Imperial Limited.	1961	1,525

#### NOTES:

- The information as to shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- Unless otherwise stated above, each of the above named persons has held the principal occupation or employment indicated for at least five years.

#### REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

- The aggregate direct remuneration paid or payable by the Company and its subsidiaries to the directors and the senior officers of the Company during the Company's fiscal period ended August 31, 1969, is \$239,000.
- The estimated aggregate cost to the Company and its subsidiaries in the fiscal period ended August 31, 1969, of all pension benefits proposed to be paid under the Company's present plan to the directors and senior officers of the Company in the event of retirement at normal retirement age is \$10,536.

## APPOINTMENT OF AUDITORS

The persons named in the accompanying proxy intend to vote for the reappointment of Price Waterhouse & Co., Chartered Accountants, as auditors of the Company.

October 15, 1969.



# HAYES-DANA LIMITED

## DIRECTORS

H. J. CARMICHAEL - *Toronto, Ontario*  
*Industrialist*

A. G. COULTER - *Oshawa, Ontario*  
*Industrialist*

W. M. FAIRHURST - *St. Catharines, Ontario*  
*President - Hayes-Dana Limited*

J. E. MARTIN - *Toledo, Ohio*  
*Chairman of the Board - Dana Corporation*

R. C. McPHERSON - *Toledo, Ohio*  
*President - Dana Corporation*

J. R. MILLER - *Toledo, Ohio*  
*Vice-Chairman of the Board - Dana Corporation*

G. B. MITCHELL - *Toledo, Ohio*  
*Executive Vice-President - Dana Corporation*

S. T. PATON - *Toronto, Ontario*  
*Executive Vice-President - Toronto-Dominion Bank*

J. D. STEVENSON - *Toronto, Ontario*  
*Partner - Wahn, Mayer, Smith, Creber, Lyons,  
Torrance & Stevenson*

D. G. WILLMOT - *Toronto, Ontario*  
*President - Molson Industries Limited*

## OFFICERS

G. B. MITCHELL  
*Chairman of the Board*

W. M. FAIRHURST  
*President*

B. R. REIMER  
*Executive Vice-President*

W. S. THOMPSON  
*Vice-President - Administration and Secretary*

G. D. DORESCO  
*Vice-President - Finance and Treasurer*

H. E. LANGFORD  
*Vice-President - Engine Parts and  
Manufacturing Services*

W. B. DODDS  
*Vice-President - Aftermarket Sales*

L. H. DENSMORE  
*Assistant Secretary-Treasurer*

A. S. CARR  
*Assistant Treasurer*

MISS M. MOSS  
*Assistant Secretary*

REGISTRAR AND TRANSFER AGENT: CANADA PERMANENT TRUST COMPANY, TORONTO, ONTARIO



# ANNUAL REPORT 1969

## FACTS IN BRIEF

	1969	1968
NET SALES	65,100,000	47,900,000
NET INCOME	2,306,000	1,350,000
SHAREHOLDERS' EQUITY	22,614,000	21,900,000
WORKING CAPITAL	8,483,000	8,678,000
NEW INVESTMENT IN PLANT AND EQUIPMENT	2,811,000	1,818,000
DEPRECIATION	1,790,000	1,494,000
NET INCOME PER SHARE	.85	.50
ANNUAL DIVIDEND RATE PER SHARE	.44	.44
EQUITY PER SHARE	8.34	8.07

## What happened to the money Hayes-Dana earned in 1969

HAYES-DANA RECEIVED from sales and other income..... \$65.1 millions..... 100%



### THESE RECEIPTS WENT

To suppliers for materials, services, etc. ....	\$37,800,000	58%
To employees for payrolls, employee benefit plans, etc. ....	\$20,100,000	31%
For Federal, Provincial and local taxes.....	\$3,100,000	4.7%
To provide for depreciation and obsolescence of real estate, plants, and equipment.....	\$1,800,000	2.8%
Paid to our shareholders .....	\$1,300,000	2%
For use in the business to provide for expansion and modernization of facilities and for working capital.....	\$1,000,000	1.5%



# LETTER TO SHAREHOLDERS

October 15, 1969

1969 has been a year of record sales and earnings for your company. Sales totalled \$65,095,000, an increase of 35% over last year.

Net income for the year was \$2,306,000, or 85c per share, an increase of 70% over net income of \$1,350,000, or 50c per share, last year.

Although the change in our fiscal year end from July 31 to August 31 gave us a 13 month year, the additional low volume August month did not contribute significantly to sales and profit.

Our progress in 1969 can be attributed to the completion of expansion and reorganization plans of recent years. In its first full year of production, the Frame plant operated at capacity and met all of our planned objectives. The Drive Train plant increased its production of heavy duty joints for the important growing truck market and our Forge operation was consolidated with this facility. We completed a building addition, doubling the size of our PC/Victor operation in St. Thomas, and started a far-reaching change in our approach to the marketing of service parts, recognizing the changes taking place in their method of distribution in Canada.

In 1970, we are planning not only to further increase our production of heavy duty joints, but also place ourselves in a position to be a completely independent manufacturer of these items. We will increase our agricultural joint production facilities as our volume in this important product line expands. Forge capacity will be added to support these programs.

New equipment at our Perfect Circle/Victor operation will further round out our Perfect Circle piston ring line, as well as increase our capacity. Additional presses will be installed in the Frame plant to improve efficiency and enable us to better accommodate changes in customers' schedules.

1970 capital expenditures will be approximately \$4,000,000.

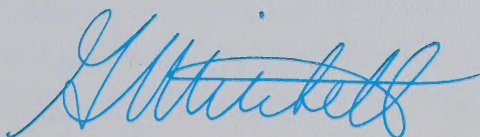
Despite tight money restrictions, our customers' schedules for 1970 support the general forecast of another good year in the transportation industry.

In our forward planning, we continue to stress the role of our company as an independent second source for the proprietary Spicer, Perfect Circle and Victor products in which we specialize. In the following pages we outline some of our programs in this area.

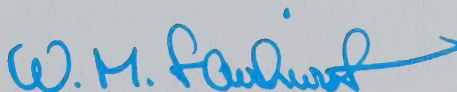
With deep regret, we record the passing on October 30, 1968, of the late J. H. Ratcliffe, a Director of Hayes-Dana Limited for over 40 years. At its meeting in March, 1969, the Board appointed Mr. Samuel T. Paton as a Director.

Our success in 1969 could not have been achieved without the efforts of our employees, the loyalty of our customers and the support of our shareholders. To all of them we express our appreciation.

Respectfully submitted  
On behalf of the Board of Directors



G. B. MITCHELL  
Chairman of the Board



W. M. FAIRHURST  
President



**HAYES-DANA LIMITED**

AND SUBSIDIARY COMPANIES

**CONSOLIDATED BALANCE SHEET**

	<b>AUGUST 31 1969</b>	<b>JULY 31 1968</b>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash	\$ 135,000	\$ 63,000
Accounts receivable, less allowance for doubtful accounts	6,116,000	3,832,000
Income taxes recoverable	—	175,000
Inventories, at lower of cost or net realizable value	14,049,000	12,748,000
Prepaid expenses	218,000	243,000
	<u>20,518,000</u>	<u>17,061,000</u>
FIXED ASSETS, at cost:		
Land	524,000	528,000
Buildings	7,386,000	7,245,000
Machinery and equipment	21,723,000	19,356,000
	<u>29,633,000</u>	<u>27,129,000</u>
Less — Accumulated depreciation	10,038,000	8,371,000
	<u>19,595,000</u>	<u>18,758,000</u>
OTHER ASSETS:		
Investment in and advances to 50% owned company at equity (1968 at cost)	100,000	61,000
Other investments, at cost	283,000	312,000
Unamortized deferred expenses	337,000	675,000
	<u>720,000</u>	<u>1,048,000</u>
APPROVED ON BEHALF OF THE BOARD:		
G. B. MITCHELL, Director	<u>\$40,833,000</u>	<u>\$36,867,000</u>
W. M. FAIRHURST, Director		

**AUDITOR'S REPORT**

TO THE SHAREHOLDERS OF HAYES-DANA LIMITED:

We have examined the consolidated balance sheet of Hayes-Dana Limited and its subsidiaries as at August 31, 1969 and the consolidated statements of income and retained earnings and source and use of funds for the thirteen month period then ended. Our examination was made in conformity with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.



**LIABILITIES AND SHAREHOLDERS' EQUITY****CURRENT LIABILITIES:**

Bank advances	<b>\$ 4,726,000</b>	\$ 4,286,000
Accounts payable and accrued liabilities	<b>3,629,000</b>	2,674,000
Due to Dana Corporation	<b>416,000</b>	182,000
Income taxes payable	<b>1,966,000</b>	241,000
Current portion of long-term debt	<b>1,000,000</b>	1,000,000
Dividend payable	<b>298,000</b>	—
	<b><u>12,035,000</u></b>	<u>8,383,000</u>

**LONG-TERM DEBT:**

6% secured debenture repayable in semi-annual instalments of \$500,000	<b>2,000,000</b>	3,000,000
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**DEFERRED INCOME TAXES**

<b>4,184,000</b>	3,584,000
<b><u>18,219,000</u></b>	<u>14,967,000</u>

**SHAREHOLDERS' EQUITY:**

Capital stock without nominal or par value—		
Authorized - 4,000,000 shares		
Issued - 2,712,965 shares	<b>8,979,000</b>	8,979,000
Retained earnings	<b><u>13,635,000</u></b>	<u>12,921,000</u>
	<b><u>22,614,000</u></b>	<u>21,900,000</u>

<b><u><u>\$40,833,000</u></u></b>	<b><u><u>\$36,867,000</u></u></b>
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In our opinion these consolidated financial statements present fairly the financial position of the companies as at August 31, 1969 and the results of their operations and the source and use of their funds for the thirteen month period then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Hamilton, October 1, 1969

PRICE WATERHOUSE & CO.  
Chartered Accountants



**HAYES-DANA LIMITED**

AND SUBSIDIARY COMPANIES

**CONSOLIDATED STATEMENT OF INCOME  
AND RETAINED EARNINGS**

	13 MONTHS ENDED AUGUST 31 <b>1969</b>	12 MONTHS ENDED JULY 31 <b>1968</b>
Sales	\$65,095,000	\$47,882,000
Dividends, interest and other income (net)	<u>190,000</u>	<u>278,000</u>
	<b>65,285,000</b>	<b>48,160,000</b>
Costs and expenses (including depreciation of \$1,790,000 in 1969 and \$1,494,000 in 1968):		
Cost of sales	56,580,000	42,512,000
Selling, general and administrative expenses	3,313,000	2,564,000
Interest	<u>506,000</u>	<u>553,000</u>
	<b>60,399,000</b>	<b>45,629,000</b>
Income before income taxes	<u>4,886,000</u>	<u>2,531,000</u>
Income taxes:		
Current	1,980,000	220,000
Deferred	<u>600,000</u>	<u>961,000</u>
	<b>2,580,000</b>	<b>1,181,000</b>
Net income	<b>2,306,000</b>	1,350,000
Dividends declared	<b>1,592,000</b>	1,192,000
Earnings retained in business	<u>714,000</u>	<u>158,000</u>
Retained earnings:		
Beginning of period	12,921,000	12,763,000
End of period	<u><b>\$13,635,000</b></u>	<u><b>\$12,921,000</b></u>
Net income per share	<b>85 c</b>	50 c
Dividends paid per share	<b>47.7 c</b>	44 c
Annual dividend rate per share	<b>44 c</b>	44 c



**HAYES-DANA LIMITED**

AND SUBSIDIARY COMPANIES

**CONSOLIDATED STATEMENT OF  
SOURCE AND USE OF FUNDS**

	13 MONTHS ENDED AUGUST 31 <b>1969</b>	12 MONTHS ENDED JULY 31 <b>1968</b>
Source of funds:		
Net income	<b>\$2,306,000</b>	\$1,350,000
Charges not requiring a cash outlay—		
Amortization of deferred expenses	<b>338,000</b>	169,000
Depreciation	<b>1,790,000</b>	1,494,000
Deferred income taxes	<b>600,000</b>	961,000
Funds from operations	<b>5,034,000</b>	3,974,000
Received on exercise of stock options	—	99,000
	<b>5,034,000</b>	4,073,000
Use of funds:		
Additions to plant and equipment (net)	<b>2,627,000</b>	1,550,000
Dividends	<b>1,592,000</b>	1,192,000
Increase in other assets, before amortization of deferred expenses	<b>10,000</b>	489,000
Reduction of long-term debt	<b>1,000,000</b>	1,000,000
	<b>5,229,000</b>	4,231,000
Decrease in working capital	<b>\$ 195,000</b>	\$ 158,000

**Notes to Consolidated Financial Statements**

1. PRINCIPLES OF CONSOLIDATION AND YEAR-END: The consolidated financial statements include the accounts of Hayes-Dana Limited and its subsidiary companies, all of which are wholly-owned.

The 1969 financial statements cover the thirteen month period from August 1, 1968 to August 31, 1969, as a result of a change in the fiscal year-end from July 31 to August 31.

2. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS: The remuneration of directors and senior officers was \$239,000 for the thirteen months ended August 31, 1969 (12 months 1968 - \$240,000). Of this amount \$80,000 (1968 - \$94,000) was received by directors.

3. PENSION PLANS: Pension plan expenses for the thirteen month period amounted to \$765,000 (12 months 1968 - \$544,000). There is an unfunded past service liability estimated at \$4,000,000 which is being amortized over not more than twenty-one years.

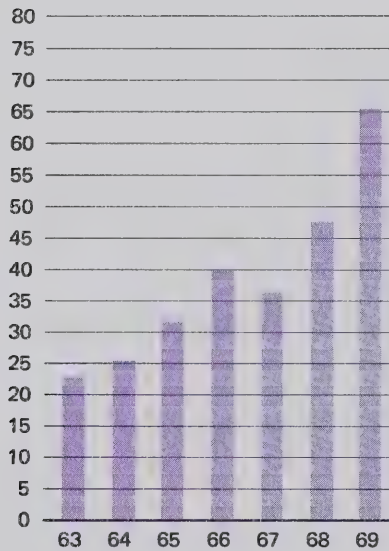


# HAYES-DANA LIMITED

## GROWTH AT A GLANCE

### NET SALES

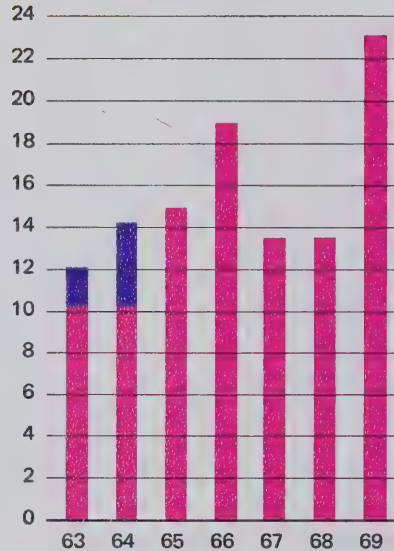
IN MILLIONS



### NET INCOME

IN HUNDRED THOUSANDS

OPERATING  
SPECIAL



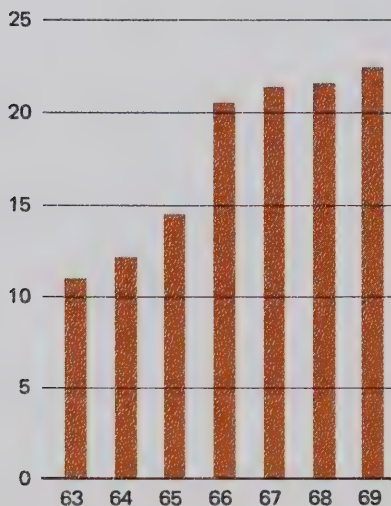
### NET INCOME

PER SHARE



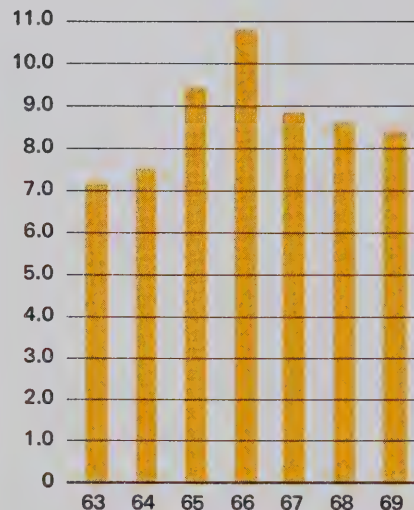
### SHAREHOLDERS' EQUITY

IN MILLIONS



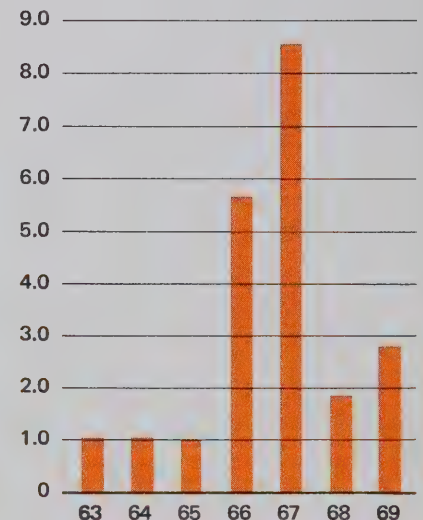
### WORKING CAPITAL

(Estimated)  
IN MILLIONS



### NEW INVESTMENT

IN PLANT AND EQUIPMENT  
IN MILLIONS







# TOMORROW

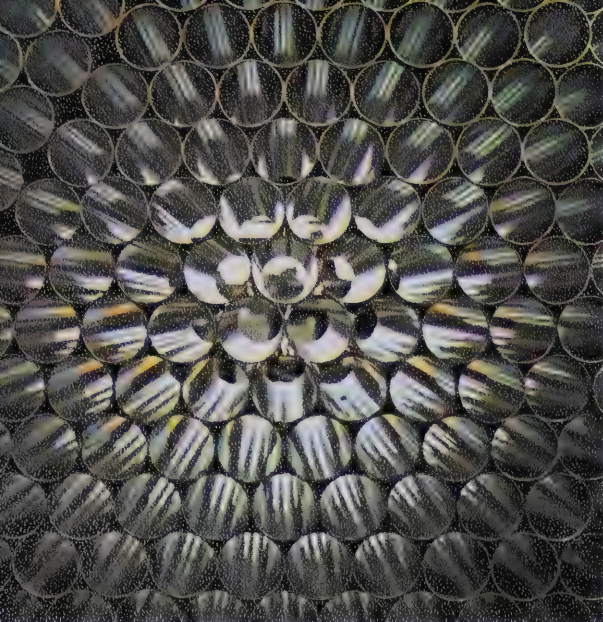
*There are two kinds of change. One happens with the gradual pace that is forced upon a business organization by external pressures.*

*The other, the exciting change, is the kind that is planned and brought by an organization to its environment.*

*At Hayes-Dana we build self-renewal into what we are doing; we will continue to reach out and create change, instead of waiting for change to come to us.*

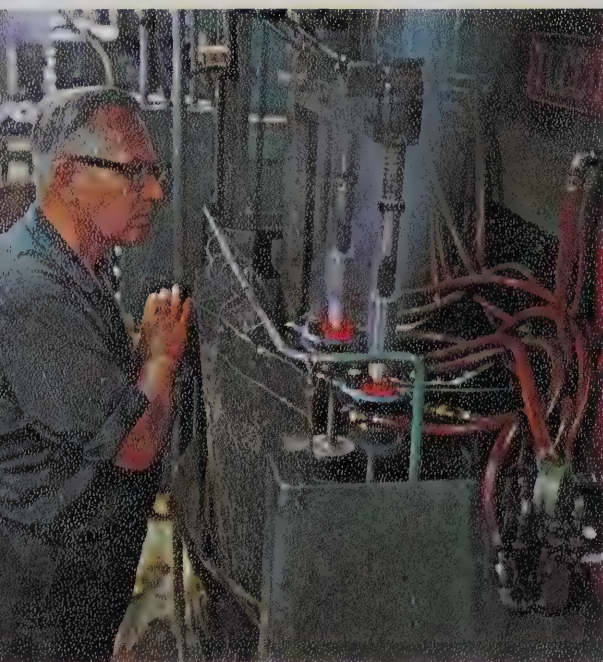
*We believe the only way to stay on top is by growth; growth by aggressive planning and a conscious determination to shape our own future.*





# CHASSIS DIVISION

## DRIVE TRAIN PLANT



The Drive Train Plant manufactures propeller shafts, power take-off shafts, universal joints, clutches, gear boxes and axle shafts, etc., for both the automotive and agricultural industries. Some indication of the growth of this facility can be gained from the fact that 100,000 propeller shafts were produced in 1961, and 750,000 units were manufactured in 1969.

In the last five years, over seven million dollars has been spent in the plant for expansion and up-dating equipment.

The growth of our agricultural business and the expansion into heavy duty component production for trucks will require capital expenditures of over five million dollars in the next five years, nearly one and half million of which will be spent in 1970.

*Top left: Drive shaft tubing rolled, welded and cut, ready for final assembly*

*Left: Electrical induction hardening of a drive shaft component*

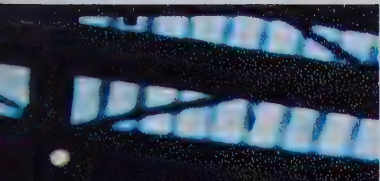
*Below left: Stacking semi-finished axle shafts*

*Below right: Part of the new production line for heavy duty truck joints*





## FORGE PLANT



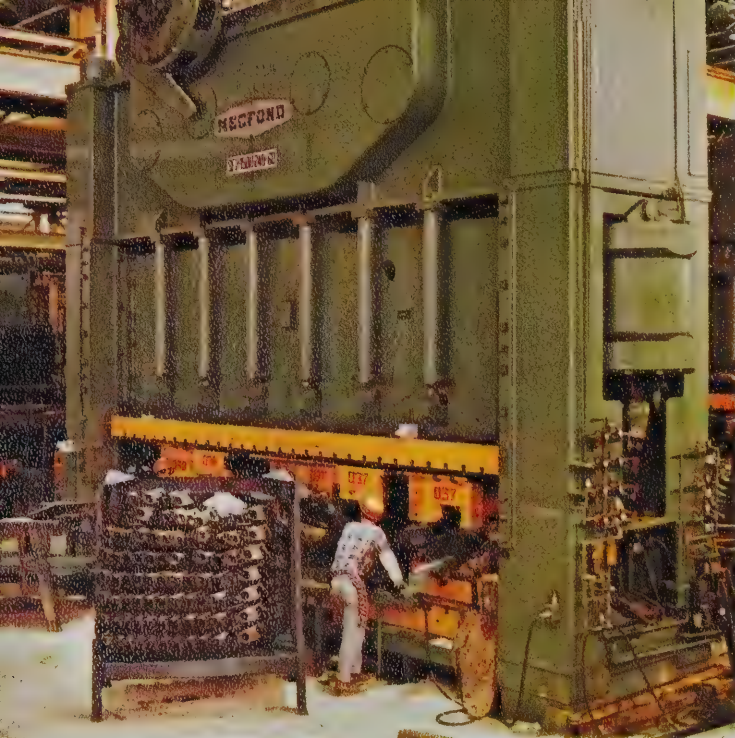
The majority of the finished forgings produced by the Forge Plant, are utilized by the Drive Train Plant. For this reason, it was incorporated into the Chassis Division this year. The balance of forging output is sold to the Dana Corporation.

Producing over 16,000 tons of forgings for our own proprietary products this year, our five-year program for this facility calls for an expansion of 50 per cent in tonnage at a capital cost of over two million dollars.

*Above: One of the 5,000 lb. hammers*

*Left: Heat operation prior to forging*





**CHASSIS DIVISION**



**FRAME PLANT**



When the Frame Plant was completed and officially opened in 1967, it was anticipated to have a normal production capacity of 250,000 frames per year. Improvements in processing, manufacturing technology and the skills of our people have enabled us to produce this year at a rate of over 30,000 frames per month, a remarkable achievement.

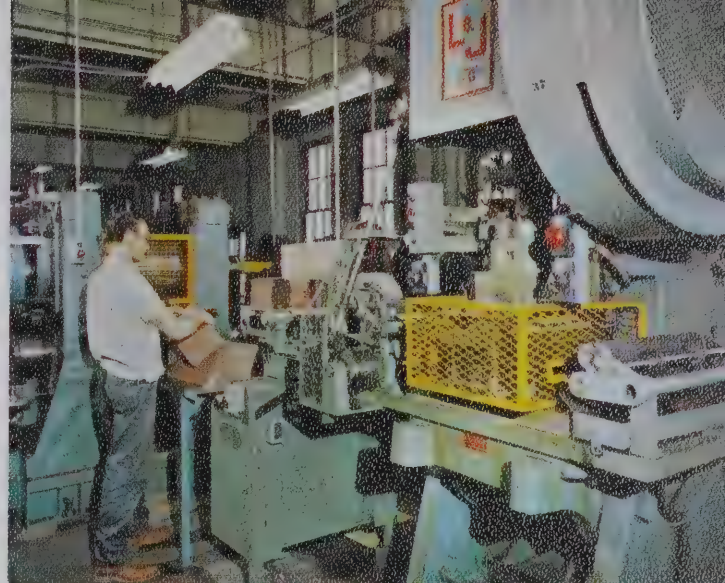
In 1970 we will spend over \$2,000,000 expanding press facilities and further improving processes throughout the plant. Our plans through 1974 are equally ambitious.

*Top left: One of the large presses for stamping side rails*

*Top right: Side rails being welded to cross members on the "Marriage Fixture"*

*Bottom left: A partial view of the press line*





## ENGINE PARTS DIVISION

### PERFECT CIRCLE-VICTOR PLANT

The Perfect Circle/Victor Plant is the latest addition to the Hayes-Dana Group. Formed by the marriage of the Perfect Circle Company Limited and the Victor Manufacturing & Gasket Company of Canada Limited in mid-1967, the integration of the two facilities is now complete.

The million dollar expansion, doubling the size of its production facilities has also been completed. The plant is now in a position to take advantage of the rapidly expanding markets available to it.

*Photos, clockwise starting top left:*

- Final gasket inspection
- Material preparation for composition gaskets
- Molybdenum coating of compression piston rings
- The 100% inspection for visual defects



# ENGINE PARTS DIVISION

## NASCO PLANT

Nasco and its unique industry were created during the war and immediate post-war years when service parts for vehicles were virtually unobtainable.

The alternative to an inoperative car or truck was to have the faulty component rebuilt. From a widely scattered multitude of small repair shops emerged the remanufacturing industry, and now the leader in Canada is Nasco.

Remanufacturing to quality standards, never less than those specified by the Original Equipment manufacturers, it is not surprising that Nasco has, as some of its customers, the majority of the vehicle and agricultural manufacturers in Canada and distributes its remanufactured clutches, generators, starters, alternators, regulators, solenoids, water pumps, etc., coast to coast.

*Left: Water pump assembly*

*Right: The final testing of starters*



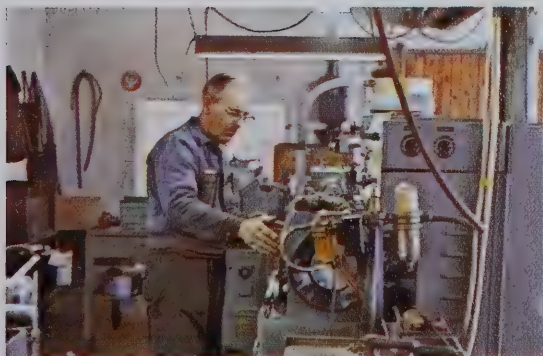


## SPECIAL SERVICES DIVISION

This operation, comprising Kerr Industries in Oshawa and Canadian Traction in Oakville, specializes in motor vehicle preparation, factory pick-up service and the installation of special equipment for dealers and fleet organizations, on passenger cars, truck chassis and buses from the local vehicle manufacturing plants.

Factory pick-up of either cars or trucks requires the vehicles to undergo pre-delivery service prior to release. Conversion of frames and the addition of special equipment specified by the buyer, permits the vehicle manufacturer and the dealer to offer a highly specialized piece of equipment without disrupting or hampering the flow of the normal assembly lines.

Operating as a specialist, with flexibility and experience, we offer a unique service to the vehicle manufacturer, dealer and owner.



## BJM - DENMARK

Aktieselskabet B.J.M. of Bogense, Denmark, is a manufacturer of drive train components for agricultural implements. Hayes-Dana recently acquired a substantial interest in B.J.M., whose product line includes drive shafts, slip clutches, overrunning clutches and P.T.O. adapters.

A major portion of production is for domestic consumption but a strong export business is done with Norway, Sweden, England, Finland and Israel. Some B.J.M. products are marketed in Canada.



# AFTERMARKET DIVISION

With new vehicle registrations exceeding scrappage rates our vehicle population continues to grow, from 5,250,000 in 1960 to an estimated 8,250,000 in 1969. As a result, the demand for replacement parts to keep these vehicles in service expands at a similar rate.

Providing our products as and when they are needed is the prime responsibility of our manufacturing plants and divisions; for this reason some distribution functions have been integrated into the divisions this year.

Working with the divisions, our Aftermarket sales specialists ensure that the skills of warehouse distributors and the services of driveline specialists across Canada are co-ordinated for maximum market penetration.







# PEOPLE



Maintaining an environment that ensures the growth of dynamic people is a primary objective for our Company.

We work hard at it - developing people who are eager for the responsibility of helping to make our Company the leader in its industry and markets.

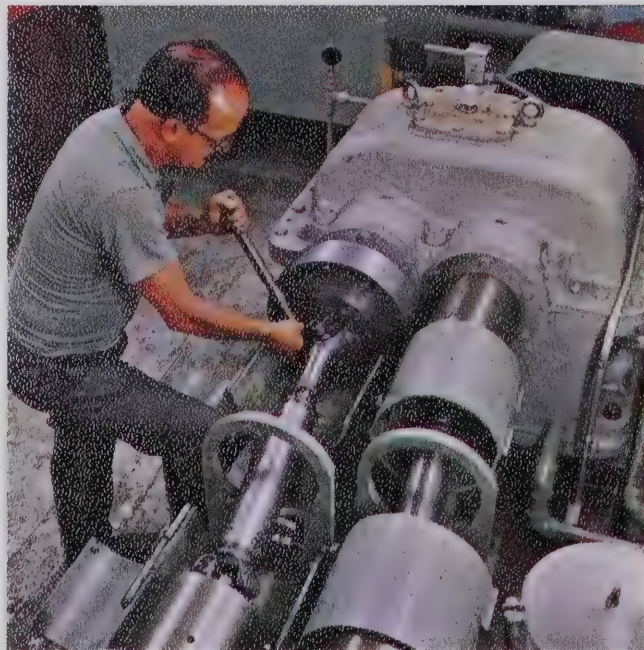
Dedicated to the belief that our people are our most important asset, we encourage them to make the best use of their talents. We offer them formal and informal training programs, supplemented with courses at colleges and universities.

We believe that our managers and supervisors should be truly professional in at least one line of our Company's work, engineering, finance, manufacturing, etc., but that they should be exposed to as many elements of our operation as practical before assuming senior management responsibility.





# PRODUCTS



In the design, application and quality of our products, we are the acknowledged leaders in our industry. Spicer products originally developed by our majority shareholder Dana Corporation, revolutionized the automotive industry in 1902. Perfect Circle, Victor and Nasco carry names just as illustrious.

In keeping with this tradition our product program is ambitious. It includes a vigorous widening of our current product range and application in existing markets, an increased penetration into fringe markets and the development of products which, although allied, are now foreign to our current production.





# PLANNING

We believe the only true measure of our growth at Hayes-Dana is the constant increase of earnings per share. But in order to sustain the growth rate we require, we must plan; plan for the maximum use of our internal resources and to take advantage of the expanding markets available to us.

Our internal resources include people, research, products, facilities and financial strength. Blended with sound management, our penetration in North American and Foreign markets will increase.

Our program also includes acquisitions that will fit our corporate plan of diversification within defined and related areas, ones that we know, understand and can manage.

At Hayes-Dana we use computers but we plan through people. Restless, innovative, creative and aggressive, we are not content with the average.



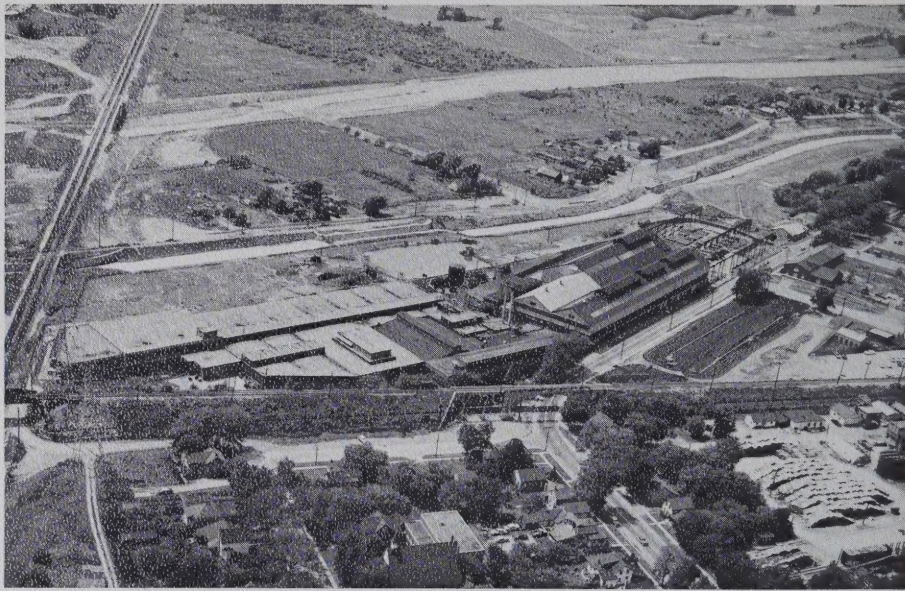




LOCKS OF THE OLD AND THIRD  
WELLAND CANAL →

**CHASSIS DIVISION**  
FORGE PLANT, ST. CATHARINES, ONTARIO

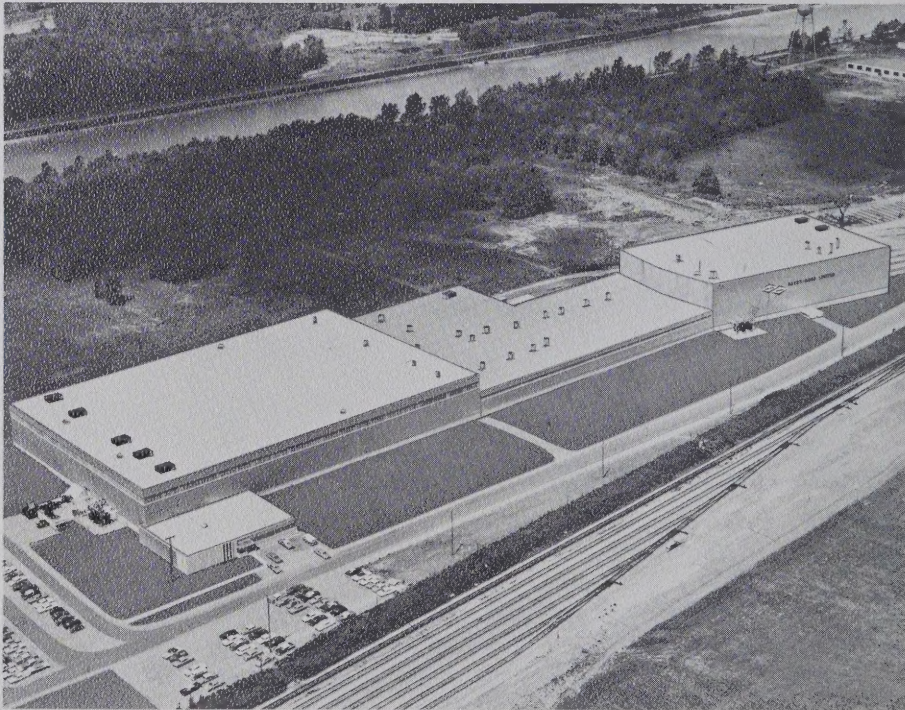
*Forged - propeller shaft components,  
companion flanges, pinions, side  
and ring gears.*



WELLAND CANAL →

**CHASSIS DIVISION**  
FRAME PLANT, THOROLD, ONTARIO

*Automotive Frames.*



**CHASSIS DIVISION**  
DRIVE TRAIN PLANT, THOROLD, ONTARIO

*Universal joints and complete  
drive shaft assemblies; rear  
axles; clutches; industrial drive  
shafts; agricultural prop shafts;  
gear boxes and slip clutches.*





## ENGINE PARTS DIVISION

PERFECT CIRCLE - VICTOR PLANT  
ST. THOMAS, ONTARIO

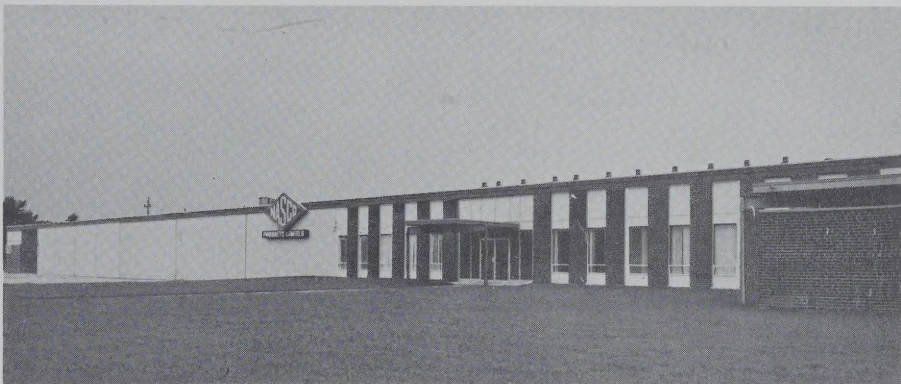
*Piston rings, gaskets, oil seals,  
packings.*



## ENGINE PARTS DIVISION

NASCO PLANT, STONEY CREEK, ONTARIO

*Remanufactured generators,  
starters, voltage regulators,  
solenoid switches, starter drives,  
water pumps, oil pumps, fuel  
pumps, transmissions, clutches.*



## SPECIAL SERVICES DIVISION

OSHAWA, ONTARIO — OAKVILLE, ONTARIO

*Motor vehicle preparation and  
installation of special custom  
equipment for O.E.M.  
manufacturers, etc.*



## AFTERMARKET DIVISION

VANCOUVER, EDMONTON, WINNIPEG,  
TORONTO, MONTREAL

*National distribution of proprietary  
products for the automotive  
service parts market.*





